

# FundAssure

*Investment Report, September 2011*





Dear Friends,

**The month of September 2011 saw the benchmark indices, the BSE Sensex and CNX Nifty losing 1.34% and 1.15% respectively even as the CNX Midcap index lost 2.75%. This muted performance of the headline indices does not fully capture the sharp increase in volatility in the Indian equity markets on the back of adverse global news flows, primarily from the Euro zone.**

In contrast to a sharp sell off in MSCI Asia ex Japan index of over 10% and MSCI World index return of a negative 6% for September 2011, India has substantially outperformed its global peers during the month. The FIIs have pulled out a modest USD 100 million over the month and USD 300 million since January 2011, even as insurance companies bought USD 500 million in Indian equities over September taking their net purchase to over USD 4 billion over the calendar year. The domestic mutual funds were net sellers to the extent of around USD 200 million over the month of September and have been net buyers to the tune of USD 1.2 billion since January 2011.

Last few weeks of increasing volatility in the global financial markets can be largely attributed to the uncertainty regarding Greece receiving its October installment of € 8 billion, part of the IMF led Greek bailout package, which if not granted, could then trigger a subsequent sovereign default by Greece on its debt obligations, an event with wide ranging global ramifications.

On the domestic macro front, the south west monsoon picked up strongly in August and September after a weak July and the cumulative rainfall for the week ended September 28th, 2011 clocked an impressive 2.3% above its Long Period Average, well above the IMD forecast. This would drive a strong rural demand in FY12 and farm incomes could go up by around 11% in the kharif harvest (which accounts for 7% of GDP). This impressive rise in farm incomes will be over the massive surge in farm incomes of over 30% last year. A bumper winter rabi crop could be on the cards due to strong monsoon led inflows in the key rivers that water the wheat fields in North India.

The sticky and elevated inflation and moderating industrial growth are the key challenges facing the Indian economy. Wholesale Price Index (WPI) Inflation for the month of August 2011 clocked 9.78%, well above the July 2011 print of 9.22%. The non-food manufactured products inflation referred to as core inflation remained elevated at 7.79% as against the July reading of 7.49%, indicating the presence of a robust demand scenario in the economy, enabling the input price increases to be passed on by manufacturers to the end consumers in many product categories. As expected, the RBI maintained its anti-inflationary stance to deliver a 25 bps rate hike in its mid-quarter monetary policy, taking the repo rate to 8.25%. Consequent to the above increase in the repo rate, the reverse repo rate under the liquidity adjustment facility (LAF) stood automatically adjusted to 7.25% and the marginal standing facility (MSF) rate to 9.25%.

The Index of Industrial Production (IIP) for the month of July, 2011 moderated to a growth rate of a muted 3.3%, far below the July 2011 consensus of over 6% growth. The negative surprise on the IIP number can be explained by the performance of the volatile capital goods sector which saw a huge decline of 15% compared to a healthy growth of around 38% year on year recorded in June 2011.

The impact of "Operation Twist", launched by the US Federal reserve, on the Indian markets has been mixed. Lower global commodity prices would lead to lower imported inflation in the medium term (with Brent crude correcting close to 10% in September), as India imports almost 80% of its oil requirements. The global metals such as zinc and aluminium are at their 10 month low, even as copper has been trading at a 15 month low. However, in the near term, the benefits of falling global commodity prices are capped as the Indian rupee has weakened close to 10% over the last 6 weeks, on global risk aversion and on concerns stemming from the possible slow down of capital flows and a widening current account.

Going forward, we could see the Indian economy in a moderately slower growth trajectory, even though there is a strong floor to the FY 2012 Indian GDP growth at around 6.5%, even if the US economy finds itself into double dip territory. The strong growth in farm incomes could broad base rural discretionary spends, benefiting a clutch of product categories and supporting the demand.

With the global growth expected to slow down sharply in 2012 and 2013, India along with China could emerge as the key engines of economic activity. Even with a moderately slowing Indian economy, the growth differential as compared to the western world, still make India a key investment destination.

The Indian equity market is reasonably valued at less than 13 times one year forward earnings multiple as against the long term average of 14 times forward and present an attractive opportunity for a long term investor with a 2 to 5 year view.

**Saravana Kumar**  
Chief Investment Officer



The month of September 2011 saw the benchmark 10 year Government security (G-sec) starting the month at 8.32% and trading in a tight range of 8.28-8.36% during the month and hardening to 8.44% towards the end of the month as the government announced its second half borrowing calendar. This 12bps hardening can be attributed to the additional borrowing of close to ₹52,900 crores to be completed in the second half of FY 2012, taking the second half borrowing to ₹2,20,000 crores.

The corporate bond yields took the cue from the G-sec yields as they hardened by 19 bps in September 2011 from 9.39% to 9.58%. As a consequence, the corporate bond spread over the 10 year G-sec was in the range of around 95-100 bps over the month of September.

The liquidity position was benign in first fortnight to average a negative ₹40,000 crores, within the RBI's comfort zone of a negative 1% of NDTL (Net Demand Time Liabilities) and subsequently tightened to around a negative ₹65,000 crores on the back of advance tax outflows from the system.

The Government borrowings for September 2011 stood at ₹22,000 crores to complete the first half planned borrowing number of ₹2,50,000 crores. This reduced G-sec supply for the month and heightened global uncertainties prevented the G-sec yields from further hardening, in response to higher headline inflation and consequent RBI tightening.

The Wholesale Price Index (WPI) Inflation for the month of August 2011 clocked 9.78%, marginally above the consensus estimate of around 9.65% and well above the July 2011 print of 9.22%. The non-food manufactured products inflation referred to as core inflation remained elevated at 7.79%, as against the July reading of 7.49%. The primary articles inflation rose sharply in August 2011 to 12.58%,

as against the July reading of 11.3%. The non-food primary articles, which includes fibres, oilseeds and minerals, registered an inflation rate of 17.8% in August as against 15.5% in July. In the minerals category, inflation eased to 23.4% year on year as against 25% in July 2011.

The only silver lining to the gloomy headline inflation picture stems from the fact that the year on year inflation for June 2011 was revised higher by only 7 bps to 9.51% from earlier provisional estimate of 9.44%. This extent of upward revision is negligible compared to the steep revisions to the provisional estimates of around 50-100 bps seen in the recent past.

With the September 2011 headline inflation expected to remain elevated, the RBI would be constrained to keep the anti-inflationary stance intact in the second quarter monetary policy on October 25th 2011. The RBI stance as well as the increased second half borrowing would put pressure on the benchmark 10 year G-sec, as we could see it breaching the 8.50% in October and trading in an 8.40-8.60 % band for the month.



## Market Outlook - Equity

FundAssure, Investment Report, September 2011

**TATA**  
**AIG**  
L I F E

*A new look at life*

The Indian equity market has been among the best performing emerging market over the month of September 2011 with the Benchmark indices BSE Sensex and CNX Nifty losing just 1.34 % and 1.15% respectively as against a sell off of over 10% in the MSCI Asia ex Japan index and over 6% fall in the MSCI World index during the same period. Post a relatively strong September, Indian equity market has corrected the earlier steep underperformance with the Asian peers, with the BSE Sensex and CNX Nifty losing close to 20% on a local currency basis, similar to MSCI Asia ex Japan, calendar year to date.

September 2011 saw FII net outflows of USD 100 million, year to date outflows of approximately USD 300 million, whereas the Insurance companies have been net buyers to the tune of USD 500 million in September and have invested over USD 4 billion in Indian equities since January 2011. In contrast to the insurance companies, the domestic mutual funds have been net sellers to the tune of USD 200 million in September, their overall inflow for the year standing at USD 1.2 billion. The FII outflows from Indian equities, calendar year to date, is a fraction of the outflows from Taiwan at over USD 10 billion and Korea at over USD 6 billion over the same period.

With the second quarter earnings season set to kick in, there is some uncertainty surrounding the earnings outlook of the leading corporate making up the indices. Over the last 18 months, the Indian equity market has seen a slew of earnings downgrades, with estimates for FY 2012 and FY 2013 cut by around 8% and 10% respectively from peak levels. With increasing global uncertainties and a moderating domestic economy, investors are looking at an earnings growth of around 15% for FY 2012E. There is a possibility of further downgrades to the Indian earnings if global macro situation substantially worsens from current levels and the US economy finds itself in double dip territory.

Going forward, it is expected that robust rural demand from increased farm incomes following an excellent south west monsoon, could support the Indian GDP growth in a weak global growth environment. This could offset the sharp moderation expected in export led growth due to the global slowdown and provide a strong floor to the Indian GDP growth at around 6.5% in FY 2012 in an unlikely situation of a US double dip scenario.

When compared to other Asian emerging economies with greater trade dependence on Europe and US, India could withstand global economic shocks better and bounce back faster. This provides the Indian equity markets with a chance to outperform global peers, given the fact that the Indian corporate earnings have a more balanced growth profile than their Asian peers.

The equity markets seem to offer value, as on a one year forward PE basis, the CNX Nifty is almost at a 20% discount as compared to the last 5 years average forward PE. Even the ratio of the market capitalization to the GDP is significantly below the 5 year average.

In the near term, the immediate trigger for the sentiment to improve would come from a pause in the rate hike cycle by the RBI, as well as some short term resolution to the Greek debt crisis through the continued bailout assistance and an expansion of the European financial stability fund, in order to minimize contagion risks in the Euro zone.

Given the fact that India still offers a growth differential as compared to the slowing western economies, we believe that the Indian equity market offers an attractive entry point for a long term investor with a 2-5 year view.



**Pension Schemes**

**Pension Equity Fund**

**Pension Liquid Fund**

**Pension  
Income Fund**

**Pension Short Term  
Income Fund**

**Pension Bond Fund**

**Pension  
Balance Fund**

**Pension  
Growth Fund**



## Pension Equity Fund

ULGF 001 02/03/04 E1 110

FundAssure, Investment Report, September 2011

**TATA**  
**AIG**  
**L I F E**

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### Fund Details

**Investment Objective** : To deliver medium to long-term capital appreciation through a portfolio essentially comprising of large cap stocks that can perform well through market and economic cycles.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 29 Sep, 2011** : ₹31.35

**Benchmark** : BSE Sensex - 100%

### Investment Style

Investment Style			
Value	Blend	Growth	Size
			Large
			Mid
			Small

### Portfolio

Instrument	Industry	% of NAV
<b>Equity</b>		<b>96.71</b>
ITC Ltd	Tobacco Products	7.80
Infosys Ltd	IT - Software	7.79
Reliance Industries Ltd	Refineries	7.77
HDFC Bank	Banks	7.19
ICICI Bank Ltd	Banks	6.06
State Bank Of India	Banks	4.59
Bharti Airtel Ltd	Telecomm-Service	4.00
Tata Consultancy Services Ltd	IT - Software	3.99
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	3.52
Mahindra And Mahindra Ltd	Automobile	3.09
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	3.07
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	2.58
HDFC Ltd	Finance	2.46
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	2.21
Axis Bank Ltd	Banks	2.00
Bajaj Auto Ltd - New Shs	Automobile	1.77

Instrument	Industry	% of NAV
Jindal Steel & Power Ltd	Steel	1.65
Tata Steel Ltd	Steel	1.60
Power Finance Corp Ltd	Finance	1.59
Sterlite Industries (India) Ltd	Non Ferrous Metals	1.53
Tata Motors Ltd	Automobile	1.50
Gail India Ltd	Gas Distribution	1.46
Dr Reddys Laboratories Ltd	Pharmaceuticals	1.43
Maruti Suzuki India Ltd	Automobile	1.25
Bank Of Baroda	Banks	1.17
NTPC Ltd	Power Generation & Distribution	1.13
United Phosphorus Ltd	Agro Chemicals	1.09
Cipla Ltd	Pharmaceuticals	1.08
Hindalco Industries Ltd	Non Ferrous Metals	1.06
Crompton Greaves Ltd	Capital Goods - Electrical Equipment	1.06
Punjab National Bank	Banks	1.01
Other Equity (less than 1% of corpus )		7.20
<b>Cash Bank &amp; Others</b>		<b>3.29</b>
<b>Total</b>		<b>100.00</b>

### Fund Performance

PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 6 Months	31-Mar-11	35.91	19445.22	-12.72%	-14.13%
Last 1 Year	30-Sep-10	37.98	20069.12	-17.48%	-16.80%
Last 2 Years	30-Sep-09	30.43	17126.84	1.49%	-1.26%
Last 3 Years	30-Sep-08	23.55	12860.43	10.01%	9.09%
Last 4 Years	30-Sep-07	33.55	17291.10	-1.68%	-0.87%
Last 5 Years	29-Sep-06	21.74	12454.42	7.59%	6.04%
Since Inception	29-Mar-04	10.00	5571.37	16.44%	15.75%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

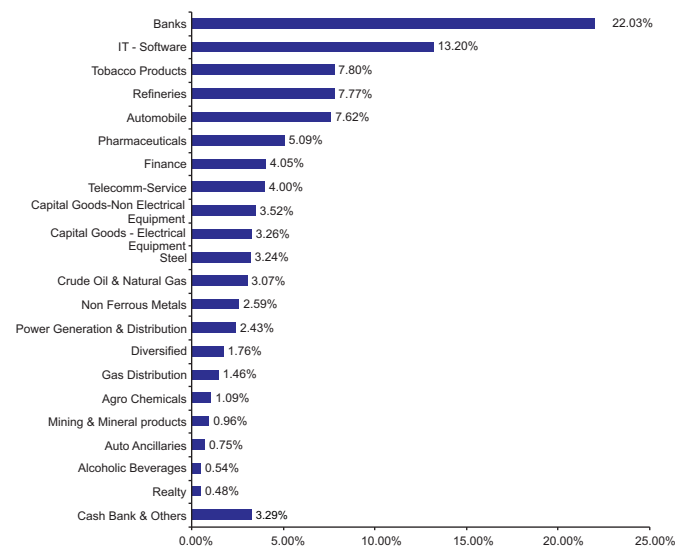
### Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	Upto 100%	97%
Debt *	0	3%
Cash & Money Market **	up to 100%	3%

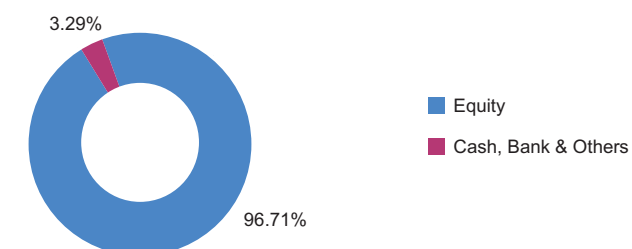
\* Actual Asset Mix % includes Cash & Money Market

\*\* Cash & Money Market includes current assets

### Sector Allocation



### Asset Allocation



Pension Schemes

# Pension Income Fund

ULGF 002 02/03/04 11 110

FundAssure, Investment Report, September 2011

## Fund Details

**Investment Objective** : To provide long-term capital appreciation by investing in high credit quality fixed-income instruments. Stability of return and protection of principal over a long-term investment horizon will be the prime driver for investment management.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 29 Sep, 2011** : ₹15.38

**Benchmark** : CRISIL Composite Bond Index -100%

## Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

Instrument	Rating	% of NAV
<b>Government Securities</b> <b>13.71</b>		
7.80% GOI 2021	Sovereign	9.66
7.83% GOI 2018	Sovereign	1.96
6.35% GOI 2024	Sovereign	1.65
7.38% GOI 2015	Sovereign	0.44
<b>Corporate Bonds</b> <b>53.16</b>		
9.48% RECL 2021	AAA	4.67
HDFC Ltd 2013	AAA	3.96
8.60% PFC 2014	AAA	3.94
8.80% Tata Sons 2015	AAA	3.93
9.95% State Bank Of India 2026	AAA	3.64
9.50% United Phosphorus Ltd 2015	AA+	3.34
9.35% PGC 2016	AAA	3.33
7.95% IDFC 2014	AAA	3.24
9.40% LIC Housing Finance Ltd 2013	AAA	3.01
10.75% RECL 2013	AAA	2.05
7.45% LIC Housing 2012	AAA	1.98
7.20% RECL 2012	AAA	1.97
9.25% DR Reddy's Lab Ltd 2014	AA+	1.67
9.80% ICICI Bank 2013	AAA	1.35
9.20% Larsen & Toubro 2012	AAA	1.34
9.35% PGC 2017	AAA	1.33
8.50% PFC 2014	AAA	1.30
8.40% HDFC 2014	AAA	1.30
9.64% PGC 2021	AAA	0.84

Instrument	Rating	% of NAV
9.64% PGC 2018	AAA	0.84
9.64% PGC 2015	AAA	0.84
9.64% PGC 2016	AAA	0.84
10.00% IDFC 2012	AAA	0.67
8.80% SAIL 2015	AAA	0.65
9.09% IRFC 2026	AAA	0.59
9.40% NABARD 2014	AAA	0.33
8.70% PFC 2020	AAA	0.19
<b>CD/CP's</b> <b>15.41</b>		
State Bank of Patiala 2011 - CD	P1+	5.62
ICICI Bank 2012 - CD	P1+	4.65
Bank of Baroda 2011 - CD	P1+	2.32
Canara Bank 2011 - CD	P1+	1.98
Punjab National Bank 2012 - CD	P1+	0.84
<b>Fixed Deposit</b> <b>10.08</b>		
10.20 % Federal Bank 2012		5.38
9.50% State Bank of Hyderabad 2014		4.71
<b>Unit Fund's</b> <b>2.02</b>		
ICICI Prudential Liquid - Super Ip Gr		2.02
UTI MMF - Inst. Gr		0.00
Kotak Liquid Inst.Premium Gr		0.00
Birla Cash Plus Inst. Premium Plan Gr		0.00
<b>Cash Bank &amp; Others</b> <b>5.63</b>		
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	Crissil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-11	14.83	1667.12	3.68%	3.09%
Last 1 Year	30-Sep-10	14.46	1628.02	6.35%	5.56%
Last 2 Years	30-Sep-09	13.61	1543.70	6.31%	5.51%
Last 3 Years	30-Sep-08	11.87	1403.15	9.02%	6.99%
Last 4 Years	30-Sep-07	11.37	1353.09	7.84%	6.16%
Last 5 Years	29-Sep-06	10.60	1283.17	7.72%	6.02%
Since Inception	02-Mar-04	10.00	1193.20	5.84%	4.93%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

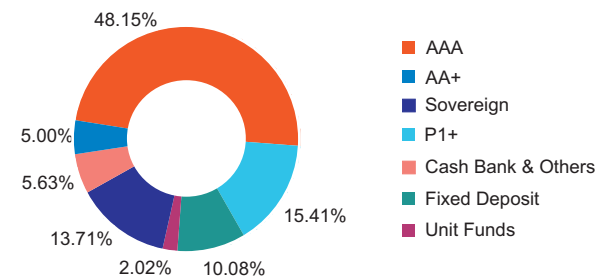
## Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	60% - 100%	100%
Cash & Money Market **	up to 100%	33%

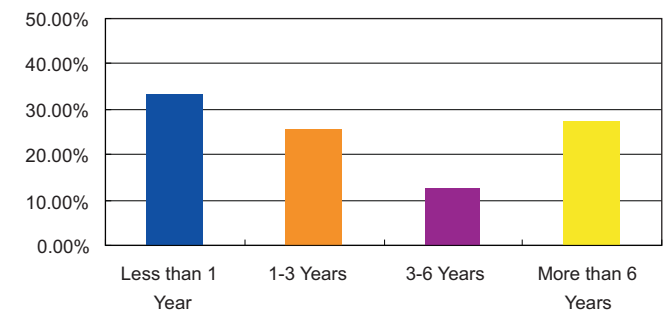
\* Actual Asset Mix % includes Cash & Money Market

\*\* Cash & Money Market includes current assets

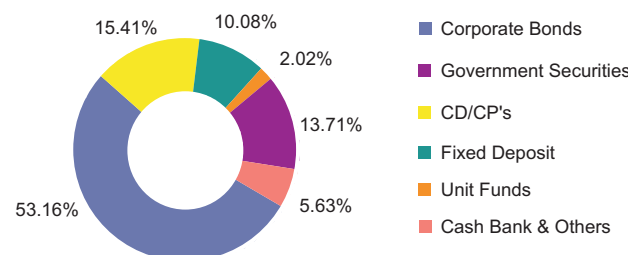
## Rating Profile



## Maturity Profile



## Asset Allocation



# Pension Liquid Fund

ULGF 003 02/03/04 L1 110

FundAssure, Investment Report, September 2011

## Fund Details

**Investment Objective** : To provide safety of funds, liquidity and return on investments, in that order.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 29 Sep, 2011** : ₹15.71

**Benchmark** : CRISIL Liquid Fund Index -100%

## Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

Instrument	Rating	% of NAV
<b>CD/CP's</b>		<b>95.22</b>
Corporation Bank 2012 - CD	P1+	9.12
State Bank of India 2012 - CD	P1+	8.97
IDBI Bank 2011 - CD	P1+	8.53
Oriental Bank Of Commerce 2012 - CD	P1+	7.72
Punjab National Bank 2012 - CD	P1+	7.71
Syndicate Bank 2012 - CD	P1+	6.91
Federal Bank 2012 - CD	P1+	6.71
Vijaya Bank 2012 - CD	P1+	6.69
ICICI Bank 2012 - CD	P1+	5.30
Axis Bank 2012 - CD	P1+	4.89
Canara Bank 2012 - CD	P1+	4.58
State Bank of Hyderabad 2012 - CD	P1+	4.10
Bank of India 2012 - CD	P1+	3.19
Axis Bank 2012 - CD	P1+	2.76
State Bank of Travancore 2012 - CD	P1+	2.69
Aditya Birla Finance Ltd 2011 - CP	P1+	2.15
ICICI Bank 2012 - CD	P1+	2.12
State Bank of Patiala 2011 - CD	P1+	1.07
<b>Unit Fund's</b>		<b>4.36</b>
ICICI Prudential Liquid - Super Ip Gr		4.36
Birla Cash Plus Inst. Premium Plan Gr		0.00
Kotak Liquid Inst Premium-Gr		0.00
<b>Cash Bank &amp; Others</b>		<b>0.42</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-11	15.07	1657.04	4.22%	3.90%
Last 1 Year	30-Sep-10	14.63	1597.83	7.38%	7.75%
Last 2 Years	30-Sep-09	13.92	1535.67	6.22%	5.88%
Last 3 Years	30-Sep-08	12.91	1437.57	6.75%	6.19%
Last 4 Years	30-Sep-07	11.90	1337.28	7.20%	6.52%
Last 5 Years	29-Sep-06	10.99	1245.50	7.40%	6.69%
Since inception	25-May-04	10.00	1113.63	6.34%	6.11%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

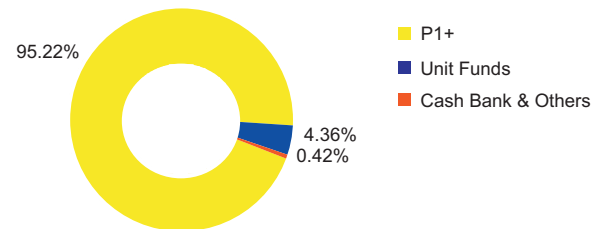
## Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	0	100%
Cash & Money Market **	up to 100%	100%

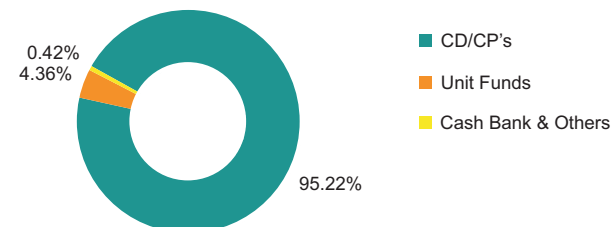
\* Actual Asset Mix % includes Cash & Money Market

\*\* Cash & Money Market includes current assets

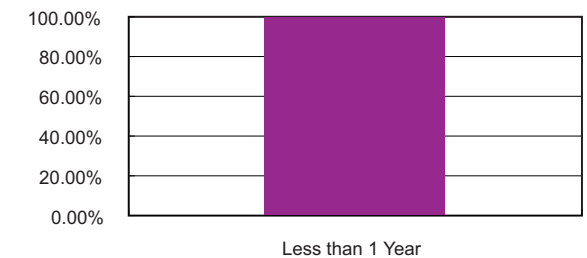
## Rating Profile



## Asset Allocation



## Maturity Profile





# Pension Short Term Income Fund

ULGF 004 01/07/06 S1 110

FundAssure, Investment Report, September 2011

**TATA**  
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A new look at life

## Fund Details

**Investment Objective** : The primary objective is to generate stable returns by investing in fixed-income securities having maturities between 1 & 3 years.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 29 Sep, 2011** : ₹13.68

**Benchmark** : CRISIL India Short Term Bond Index -100%

## Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

Instrument	Rating	% of NAV
<b>Corporate Bonds</b>		<b>63.04</b>
7.76% LIC Housing Finance Ltd. 2012	AAA	12.00
7.90% RECL 2012	AAA	10.03
7.40% Infrastructure 2012	AAA	9.02
2% Tata Motors Ltd 2014	AAA	7.49
10.40% ICICI Sec Prim Deal Ltd 2013	AAA	5.16
9.20% Power Grid 2013	AAA	5.07
9.25% DR Reddy's Lab Ltd 2014	AA+	3.71
9.68% IRFC 2012	AAA	3.58
9.50% NABARD 2012	AAA	2.54
8.25% Britannia Industries Ltd 2013	AAA	2.41
7.74% Tata Communications Ltd 2012	AAA	2.02
<b>CD/CP's</b>		<b>24.20</b>
State Bank of Patiala 2011 - CD	P1+	7.52
IDBI Bank 2011 - CD	P1+	4.99
Oriental Bank Of Commerce 2012 - CD	P1+	4.88
Syndicate Bank CD - 2012	P1+	4.41
State Bank of Hyderabad 2012 - CD	P1+	2.40
<b>Fixed Deposit</b>		<b>4.59</b>
9.50% State Bank of Hyderabad 2014		4.59
<b>Unit Fund's</b>		<b>2.55</b>
ICICI Prudential Liquid - Super Ip -Gr		2.55
<b>Cash Bank &amp; Others</b>		<b>5.63</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-11	13.12	1716.04	4.23%	3.94%
Last 1 Year	30-Sep-10	12.84	1670.28	6.52%	6.78%
Last 2 Years	30-Sep-09	12.11	1591.88	6.25%	5.85%
Last 3 Years	30-Sep-08	10.77	1441.35	8.29%	7.36%
Last 4 Years	30-Sep-07	10.23	1354.36	7.52%	7.13%
Last 5 Years	29-Sep-06	9.98	1264.67	6.49%	7.12%
Since Inception	03-Jul-06	10.00	1242.33	6.15%	7.14%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

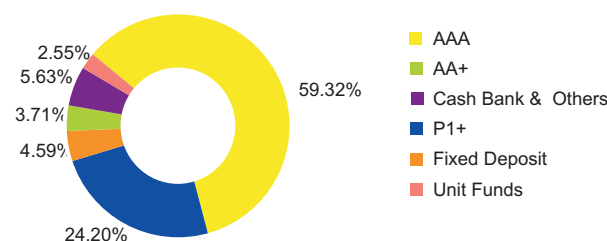
## Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	60% - 100%	100%
Cash & Money Market **	up to 100%	37%

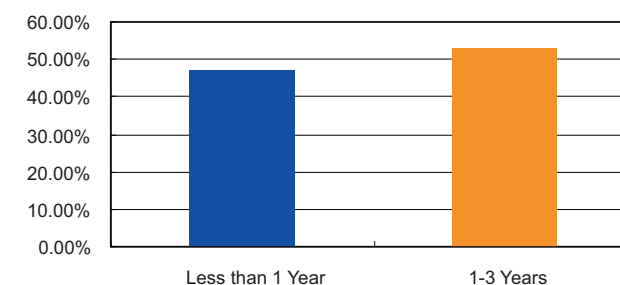
\* Actual Asset Mix % includes Cash & Money Market

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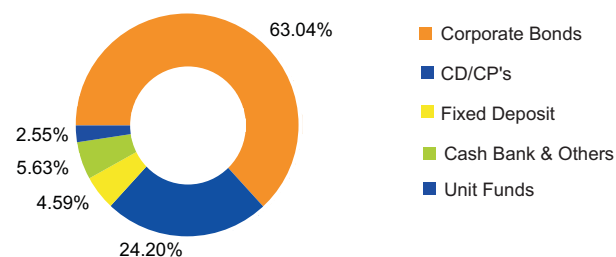
## Rating Profile



## Maturity Profile



## Asset Allocation



Pension Schemes

# Pension Bond Fund

ULGF 005 17/08/07 BO 110

FundAssure, Investment Report, September 2011

## Fund Details

**Investment Objective** : To generate income through investing in a range of debt and money market instruments of various maturities with a view to maximising the optimal balance between yield, safety and liquidity.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 29 Sep, 2011** : ₹13.12

**Benchmark** : CRISIL Composite Bond Index -100%

## Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

Instrument	Rating	% of NAV
<b>Government Securities</b>		
7.83% GOI 2018	Sovereign	8.40
7.80% GOI 2021	Sovereign	6.09
6.35% GOI 2024	Sovereign	1.89
7.00% GOI 2012	Sovereign	1.71
<b>Corporate Bonds</b>		
<b>54.78</b>		
9.48% RECL 2021	AAA	7.45
2.00% Indian Hotels Company Ltd 2014	AA+	5.17
9.50% HDFC Ltd. 2013	AAA	4.84
7.45% LIC Housing 2012	AAA	4.54
9.50% United Phosphorus LTD 2015	AA+	4.01
9.95% State Bank Of India 2026	AAA	3.85
9.25% DR Reddy's Lab Ltd 2014	AA+	3.81
8.80% Tata Sons 2015	AAA	3.38
9.80% ICICI Bank 2013	AAA	2.32
9.35% PGC Ltd 2021	AAA	2.27
10.70% Sundaram Finance Ltd 2014	AA+	1.77
6.98% IRFC 2012	AAA	1.60
9.64% PGC Ltd 2021	AAA	1.45
9.64% PGC Ltd 2018	AAA	1.44
9.64% PGC Ltd 2015	AAA	1.44
9.64% PGC Ltd 2016	AAA	1.44

Instrument	Rating	% of NAV
9.20% Larsen & Toubro 2012	AAA	1.15
9.30% Tata Sons 2015	AAA	1.14
7.76% LIC Housing 2012	AAA	0.91
9.45% LIC Housing 2012	AAA	0.46
9.09% IRFC 2026	AAA	0.34
<b>CD/CP's</b>		
<b>16.42</b>		
ICICI Bank 2012 - CD	P1+	4.80
State Bank of Patiala 2011 - CD	P1+	3.41
Bank of Baroda 2011 - CD	P1+	2.56
Canara Bank 2011 - CD	P1+	2.26
Axis Bank 2012 - CD	P1+	2.25
Bank of Baroda 2011 - CD	P1+	1.13
<b>Fixed Deposit</b>		
<b>1.39</b>		
9.50% State Bank of Hyderabad 2014		1.39
<b>Unit Fund</b>		
<b>2.31</b>		
ICICI Prudential Liquid - Super Ip Gr		2.31
Birla Cash Plus Inst. Premium Plan Gr		0.00
Kotak Liquid Inst.Premium Gr		0.00
UTI MMF - Inst. Gr		0.00
<b>Cash Bank &amp; Others</b>		
<b>7.03</b>		
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-11	12.66	1667.12	3.66%	3.09%
Last 1 Year	30-Sep-10	12.35	1628.02	6.28%	5.56%
Last 2 Years	30-Sep-09	11.58	1543.70	6.43%	5.51%
Last 3 Years	30-Sep-08	10.33	1403.15	8.31%	6.99%
Last 4 Years	30-Sep-07	10.00	1353.09	7.03%	6.16%
Since Inception	17-Aug-07	10.00	1339.53	6.82%	6.23%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

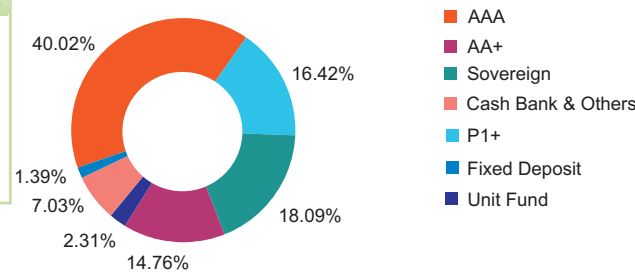
## Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	60% - 100%	100%
Cash & Money Market **	up to 100%	27%

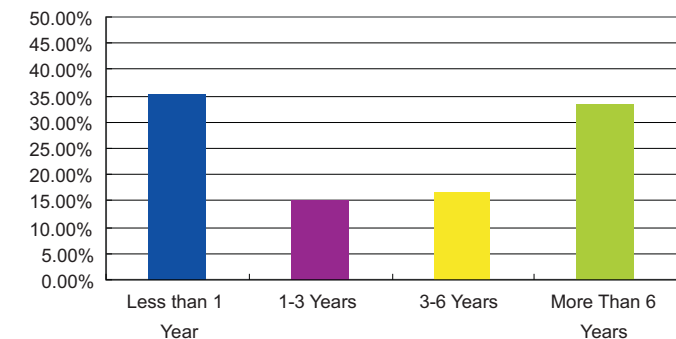
\* Actual Asset Mix % includes Cash & Money Market

\*\* Cash & Money Market includes current assets

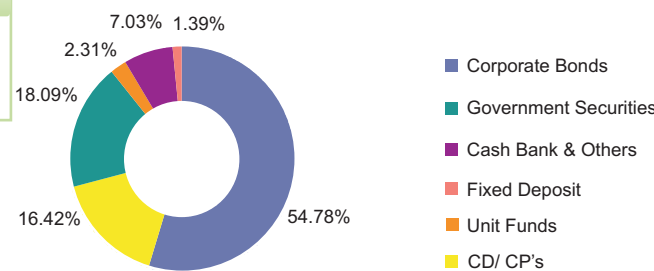
## Rating Profile



## Maturity Profile



## Asset Allocation



# Pension Balance Fund

ULGF 006 17/08/07 BL 110

FundAssure, Investment Report, September 2011

**TATA**  
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## Fund Details

**Investment Objective** : To supplement the income generation from the fixed income instruments with capital appreciation of the equity assets.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 29 Sep, 2011** : ₹12.60

**Benchmark** : Nifty - 10%  
CRISIL Composite Bond Index - 90%

## Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

## Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 6 Months	31-Mar-11	12.53	0.50%	1.37%
Last 1 Year	30-Sep-10	12.39	1.64%	3.32%
Last 2 Years	30-Sep-09	11.51	4.62%	4.89%
Last 3 Years	30-Sep-08	10.05	7.82%	7.15%
Last 4 Years	30-Sep-07	10.10	5.66%	5.54%
Since Inception	17-Aug-07	10.00	5.76%	6.11%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	Upto 20%	14%
Debt *	80% - 100%	86%
Cash & Money Market **	up to 100%	19%

\* Actual Asset Mix % includes Cash & Money Market

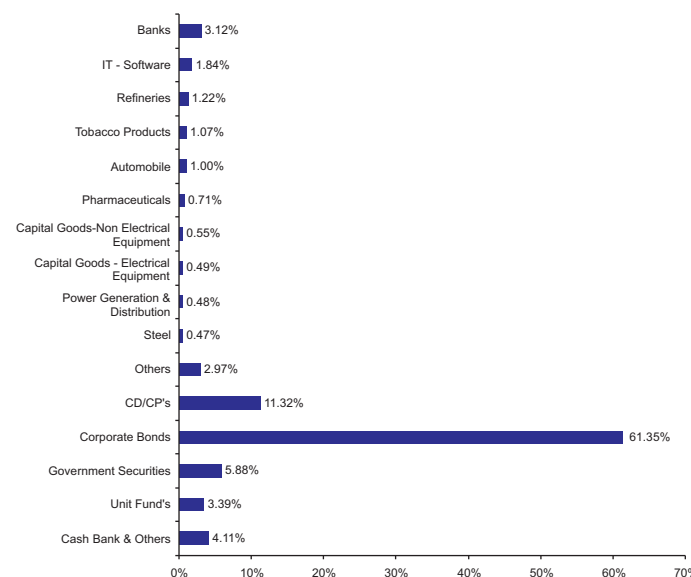
\*\* Cash & Money Market includes current assets

## Portfolio

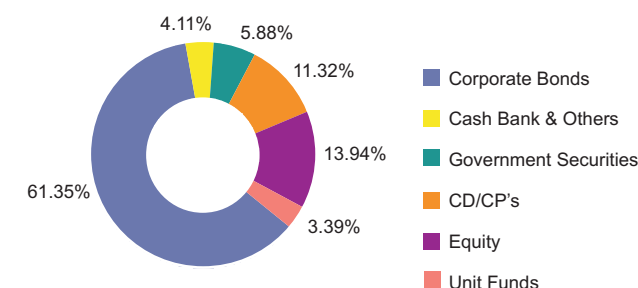
Instrument	Industry	% of NAV
<b>Equity</b>		<b>13.94</b>
ITC Ltd	Tobacco Products	1.07
Reliance Industries Ltd	Refineries	1.07
Infosys Ltd	IT - Software	1.03
ICICI Bank Ltd	Banks	0.83
HDFC Bank	Banks	0.79
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	0.55
State Bank Of India	Banks	0.52
Tata Consultancy Services Ltd	IT - Software	0.46
Mahindra And Mahindra Ltd	Automobile	0.44
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	0.43
Other Equity		6.73
<b>Corporate Bonds</b>		<b>61.35</b>
8.28% LIC Housing 2015	AAA	9.11
9.95% State Bank Of India 2026	AAA	5.81
7.75% RECL 2012	AAA	5.59
8.80% Power Grid 2015	AAA	4.96
8.70% PFC 2015	AAA	4.62
9.97% IL&FS 2016	AAA	4.13
8.35% HDFC 2015	AAA	3.91
9.20% HDFC 2012	AAA	3.39
7.90% RECL 2012	AAA	3.07
9.40% NABARD 2016	AAA	2.69

Instrument	Industry	% of NAV
9.30% Tata Sons 2015	AAA	2.68
9.20% Power Grid 2015	AAA	2.68
8.40% HDFC 2014	AAA	1.97
9.25% DR Reddy's LAB Ltd 2014	AA+	1.75
10.40% ICICI Sec Prim Deal Ltd 2013	AAA	1.37
9.50% NABARD 2012	AAA	1.35
9.09 % IRFC Ltd 2026	AAA	1.33
9.80% PFC 2012	AAA	0.68
8.83% IRFC 2012	AAA	0.27
<b>CD/CP's</b>		<b>11.32</b>
Bank of Baroda 2011 - CD	P1+	4.69
PNB 2012 - CD	P1+	3.98
Bank of Baroda 2011 - CD	P1+	2.66
<b>Government Securities</b>		<b>5.88</b>
7.83% GOI 2018	Sovereign	2.63
7.80% GOI 2021	Sovereign	1.95
8.30% GOI 2040	Sovereign	1.30
<b>Unit Fund's</b>		<b>3.39</b>
Birla Cash Plus Inst. Premium Plan Gr		3.39
UTI MMF - Inst. Gr		0.00
ICICI Prudential Liquid - Super Ip Gr		0.00
<b>Cash Bank &amp; Others</b>		<b>4.11</b>
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



Pension Schemes

## Pension Growth Fund

ULGF 007 17/08/07 G2 110

FundAssure, Investment Report, September 2011

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### Fund Details

**Investment Objective** : The objective of this fund is to generate long term capital appreciation and income by investing a considerable percentage of the fund in equity and equity linked instruments and the balance in Government Bonds and high quality fixed income instruments.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 29 Sep, 2011** : ₹12.41

**Benchmark** : Nifty - 30%  
CRISIL Composite Bond Fund Index - 70%

### Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

### Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

### Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 6 Months	31-Mar-11	12.65	-1.94%	-2.05%
Last 1 Year	30-Sep-10	12.73	-2.49%	-1.15%
Last 2 Years	30-Sep-09	11.68	3.08%	3.66%
Last 3 Years	30-Sep-08	9.96	7.58%	7.46%
Last 4 Years	30-Sep-07	10.00	5.54%	4.30%
Since Inception	17-Aug-07	10.00	5.37%	5.85%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

### Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	20% - 40%	30%
Debt *	60% - 80%	70%
Cash & Money Market **	up to 80%	36%

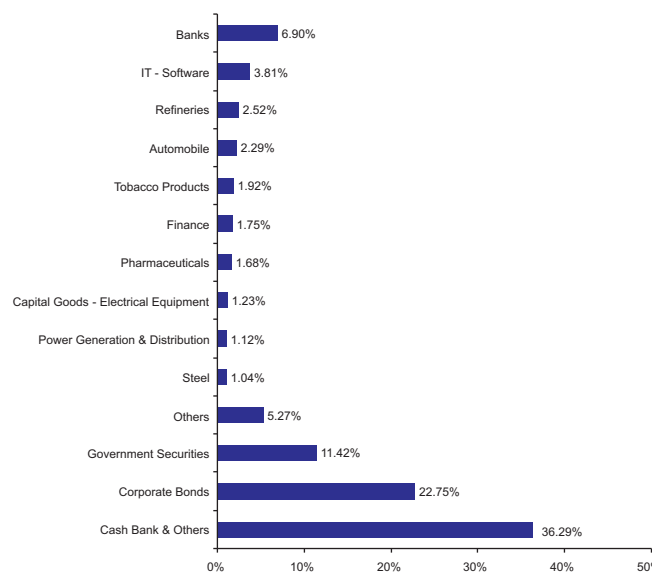
\* Actual Asset Mix % includes Cash & Money Market

\*\* Cash & Money Market includes current assets

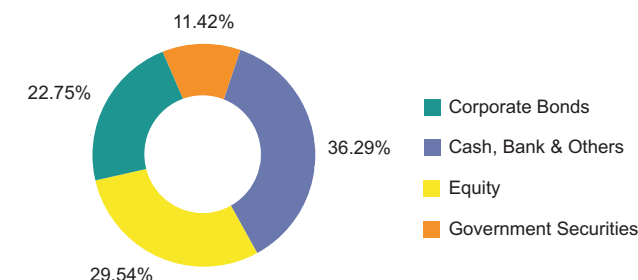
### Portfolio

Instrument	Industry	% of NAV
<b>Equity</b>		<b>29.54</b>
Infosys Ltd	IT - Software	2.24
Reliance Industries Ltd	Refineries	2.14
HDFC Bank	Banks	2.07
ICICI Bank Ltd	Banks	2.06
ITC Ltd	Tobacco Products	1.92
State Bank Of India	Banks	1.41
Tata Consultancy Services Ltd	IT - Software	1.04
HDFC Ltd	Finance	1.04
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	1.00
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	0.92
Other Equity		13.71
<b>Government Securities</b>		<b>11.42</b>
7.83% GOI 2018	Sovereign	11.42
<b>Corporate Bonds</b>		<b>22.75</b>
8.28% LIC Housing 2015	AAA	11.30
7.40% Infrastructure 2012	AAA	5.79
8.30% HDFC Ltd 2015	AAA	5.65
<b>Cash Bank &amp; Others</b>		<b>36.29</b>
<b>Total</b>		<b>100.00</b>

### Sector Allocation



### Asset Allocation



Pension Schemes

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Registered and Corporate Office  
Delphi-B Wing, 2nd Floor, Orchard Avenue  
Hiranandani Business Park, Powai, Mumbai - 400076

Pension Schemes

